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EXAMINER

FELTEN, DANIEL S

ART UNIT PAPER NUMBER

3624

DATE MAILED: 02/18/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/392,028

Applicant(s)

SMITH ET AL.

Examiner

Daniel S Felten

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ML

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 12 December 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-24 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Receipt of the Response filed December 12, 2003 is acknowledged. Claims 1-24 remain pending in the application and are presented to be examined upon their merits.

Response to Arguments

2. Applicant's arguments filed December 12, 2004 have been fully considered but they are not persuasive. References are evaluated by what they suggest to one versed in the art, rather than specific disclosure [see *In re Bozek*, 163 USPQ (CCPA)]. In this case the primary reference discloses a method for processing financing information process management and workflow system coupled to a data repository (memory), the secondary reference shows a method which includes processing a cash advance request against a credit loan balance. The 35 U.S.C. § 103(a) rejection mailed July 25, 2003 set forth providing reasoning for the combinations of references and resolve the level of ordinary skill in the Business method art.

In response to applicant's analysis of the references, specifically where the applicant asserts that there is no suggestion of "*receiving from a customer collateral information that includes information **relating to** the customer's accounts receivable, accounts payable and inventory, updating the collateral information of the customer such that it is current, and evaluating the current customer collateral information*" it is respectfully requested that the applicant read the Highbloom Abstract and column 1, lines 1-17; and column 2, lines 15-39. It is notoriously old and well known within the art

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that in securing financing, that asset and debt information is provided in order to secure a loan. The Examiner has interpreted "collateral Information" to be defined as information on property (asset) offered as security for a loan. This collateral information, as interpreted by the Examiner, may include information associate with inventory and account receivables (see column 2, lines 14-18; and column 4, lines 5-28), Although Highbloom fails to explicitly disclose account receivables, Tarter et al teaches the use of account receivables as collateral to finance a loan (see Tarter, column 16, line 1). Since account receivable can be used to secure a loan, the Examiner has interpreted collateral information to include information to fall under this class of asset which can be employed after modifying Highbloom's invention. The limitation of "accounts payable" is inconsistent with the "collateral information" limitation since its definition consists of debt. However, since the accounts payable limitation merely provides information that is "related to" collateral information (or vice versa), the Examiner has interpreted this to mean information that is related to the loan itself, since the loan is an actual debt.

The applicant has also asserts that the cited references fail to suggest *"evaluating a current credit status of the customer including an analysis of at least one of the customer's business performance, dilution and advance rate and determining to at least one of approve a customer's cash advance request, deny the customer's cash advance request, and initiate a manual review of the customer collateral information."* Highbloom does involve evaluating a credit status of inventory that is used for collateral to secure a loan (see Highbloom, column 2, 14+; and column4, line 65 to column 5,

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line11), but fails to disclose identifying dilution, reviewing advance rate, and reviewing fraud possibilities. These failures were addressed within the July 25, 2003 Office Action using Defrancesco (see column, 5, lines 44-47; column 7, lines 32-39; column 16, line 62 to column 17, line 11). It was asserted (and is maintained) that an artisan at the time of the invention would be concerned about accuracy and security of financial information being bi-directionally communicated between customer and financial sources.

The applicant has additionally asserted that the cited references do not suggest *“updating the collateral information of the customer by receiving via an electronic data interchange a financial report from a received document format to a predetermined document format by detecting a report type and then by performing a mapping and translation process, extracting at least one of accounts receivable data, accounts payable data , and quality control system and loading the extracted data into the data respository.”* It is respectfully submitted that these limitation are addressed by Highbloom (see column 8, lines 1+).

Futhermore, it would seem that applicant applies a more stringent standard to the reference(s) than to the limitation of the claims. This is a reversal of their appropriate roles as the reference is used as a whole as a teaching in light of the level of skill in the art. Thus all rejections from Office Action of July 25, 2003 are maintained by the Examiner and are again presented below for the applicant” convenience.

Claim Rejections - 35 USC ' 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Method claims 1-4 & 23 and apparatus claims 12-15 & 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Highbloom (US 5,23,315) in view of Hogan (US 2001/0013545 A1) and Tarter et al. (Hereinafter "Tarter", US 5,550, 734).

Re method claim 1, 12, 23 and 24:

Highbloom discloses a method for processing financial information process management and workflow system (see fig. 1) coupled to a data repository [18, 20] (main and long term memory), upon receipt of the financial information by the process management and workflow system, the method comprising the step of operating the

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process management and workflow system to record the financial information (see col. 6, ll. 1-33), evaluate current collateral information 10 (via monitoring system) (see col. 3, ll. 56-61), and evaluate current credit status (see col. 4, line 52 to col. 5, ll. 11).

Highbloom fails to disclose a method of processing and/or receiving a cash advance request in his invention. Hogan discloses a method, which includes processing a cash advance request against the credit loan balance (see Hogan page 2, paragraph [0018]; page 5, claim 20; and page 6, claim 37). It would have been obvious for an artisan at the time of the invention of Hogan to process, receive and record a credit line request because an artisan at the time of the invention of Hogan would have recognized that the client would require access to his/her line of credit and thereby necessitate the need to request access to the credit line and execute the request. Thus to employ the teachings of Hogan to the system of Highbloom would have been an obvious expedient well within the ordinary skill in the art.

Furthermore Hogan fails to disclose receiving collateral information, which includes information relating to the customer's account receivables and accounts payable. Tarter discloses a system which provides a means to obtain needed funds by receivables securitization, (borrowing the money and using the receivables as collateral) (see Tarter, col. 16, ll. 1+). It would have been obvious for an artisan at the time of the invention to modify the collateral information in Highbloom to include account receivable/account payable because an artisan at the time of invention would have sought to use the accounts receivable/account payable information as collateral against

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receiving a loan. Thus such a modification would have been an obvious expedient well within the ordinary skill in the art.

Re claims 2 and 13:

Highbloom discloses the step of operating the process management and workflow system to evaluate whether the collateral information is up-to-date (see Highbloom, Abstract, col. 4, lines 52-64).

Re claim 3 and claim 14:

Highbloom discloses the collateral information is not up-to-date, said method further comprises the step of operating the process management and workflow system to update the collateral information (see Highbloom, Abstract, col. 4, lines 52-64).

Re claim 4 and claim 15:

Highbloom disclose evaluating current credit status comprises the steps reviewing whether money is actually available in a credit line, and whether a borrowing client's business is performing according to expectations (see Highbloom, Abstract, col. 4, lines 65 to col. 5, ll. 11).

3. Method claims 5-11 and apparatus claims 16-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Highbloom (US 5,23,315) as modified by Hogan (US 2001/0013545 A1) and Tarter as applied to claim 1 as applied to claim above, and

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further in view of DeFrancesco et al (US 5,878,403). The teachings of Highbloom and Hogan have been discussed above.

Re claim 5 and claim 16:

Highbloom as modified by Hogan and Johnston fails to disclose identifying dilution, reviewing advance rate, and reviewing fraud possibilities.

DeFrancesco discloses a method wherein evaluating current credit status further comprises the steps identifying dilution, reviewing advance rate, and reviewing fraud possibilities (see DeFrancesco, col. 5, ll. 44-47; col. 7, ll. 32-39; col. 16, ll. 62 to col. 17, ll. 11).

It would have been obvious for an artisan at the time the invention was made to employ the teachings of DeFrancesco with the aforementioned features, to the teaching of Highbloom as modified by Hogan because an artisan at the time of the invention would be concerned about the accuracy and security of the financial transaction information being bi-directionally communicated between customer and financial data sources.

Thus to employ such features with Highbloom as modified by Hogan would be considered an obvious extension to the teachings Highbloom inasmuch as it would provide an alternative means to secure that the information received and transmitted is correct. Thus such a modification would be an obvious expedient to one of ordinary skill in the art.

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Re claim 6 and claim 17:

the method further comprises the step of operating the process management and workflow system to initiate a review and approval process, and to either deny or approve the request (see DeFrancesco, application status, fig. 3AJ; col. 17, ll. 39-43; and col. 30 ll. 47 to col. 31, ll. 17).

Re claim 7 and claim 18:

comprising the step of notifying a user of a request status (see DeFrancesco, application status, fig. 3AJ; col. 17, ll. 39-43; and col. 30 ll. 47 to col. 31, ll. 17).

Reclaim 8, 9 and claim 19, 20:

if the request is approved, said method further comprises the steps of initiating a wire transfer of funds, and archiving wire transfer details; and if the request is approved, said method further comprises the step of notify the user that wire transfer is complete (see DeFrancesco, application status, fig. 3AJ; col. 17, ll. 39-43; and col. 30 ll. 47 to col. 31, ll. 17).

Re claim 10 and claim 21:

A method the process management and workflow system is coupled to client by a wide area network, and wherein receiving financial information comprises the steps of establishing a communication link between the accounting system and the process

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management and workflow system, and authenticating validity of the accounting system (see fig. 2).

Re claim 11 and claim 22:

A method in accordance with Claim 10 wherein the wide area network is the Internet 104 (see fig. 1A, DeFrancesco et al, col. 17, ll. 57 to col. 18, ll. 22).

Conclusion

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel S Felten whose telephone number is (703) 305-0724. The examiner can normally be reached on Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703) 308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DSF

Daniel S Felten
Examiner
Art Unit 3624



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